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background notes

Zaire

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Official Name:
Republic of Zaire

PROFILE

People

Nationality: *Noun and adjective*—Zairian(s). **Population** (1983 est.): 30.7 million (urban 30%, under age 15, 45%). **Annual growth rate:** 3%. **Density:** 13.1 sq. km. (33.9 sq. mi.). **Ethnic groups:** Bantu tribes 80%, as many as 250 African tribal groups in all. **Religions:** Roman Catholic 50%, Protestant 20%, Muslim 10%, Kimbanguist 10%, other syncretic sects and traditional religions 10%. **Languages** (major): French, Lingala, Swahili, and Kingwana (a variant), Kikongo, Tshiluba. *Literacy* (1980, adult)—55%. **Health:** *Infant mortality rate*—106/1,000. *Life expectancy*—50 yrs.

Geography

Area: 2.35 million sq. km. (905,063 sq. mi.); about the size of the US east of the Mississippi. **Cities:** *Capital*—Kinshasa (pop. about 3 million). *Regional capitals*—Kananga, Lubumbashi, Mbuji-Mayi, Bukavu, Mbandaka, Kisangani, Bandundu, Matadi. **Terrain:** Varies from tropical rain forests to mountainous terraces, plateaus, savannas, dense grasslands, and mountains. **Climate:** Equatorial; hot and humid in much of the north and west, cooler and drier in the south central area and the east.

Government

Type: Republic with strong presidential authority, one party. **Independence:** June 30, 1960. **Constitution:** June 24, 1967 (amended 1974, revised 1978).

Branches: The Popular Movement of the Revolution (MPR) is the sole legal political institution; its component organs include the Office of the Party President, a Central Committee, the Political Bureau (the Executive Committee of the Central Committee), the Party Congress (meeting every 5 years), the Executive Council (Council of Ministers), the unicameral Legislative Council, and the Judicial Council. The president of the party is automatically president of Zaire.

Suffrage: Compulsory over 18.

Administrative subdivisions: Nine regions.

Flag: A hand holding a torch within a yellow circle against a green background.

Economy

GDP (1983, current prices at the official exchange rate): $4.7 billion. **Annual growth rate** (1984, constant 1970 prices): 2.5%. **Per capita GDP** (current 1983): $146.

Natural resources: Copper, petroleum, cobalt, industrial and gem diamonds, gold, zinc, manganese, tin, columbium-tantalum, rare earth metals, coal, wolframite, uranium, cadmium, silver, 13% of world's hydroelectric potential.

Agriculture: *Products*—coffee, palm oil, palm kernel oil, palm kernel cake, quinquina, rubber, tea, cotton, cocoa (cash crops); manioc, bananas, plantains, corn, rice, legumes, ground nuts, vegetables, fruits, sugar (food crops). *Land*—50% arable; 2% cultivated or pasture.

Industry: *Types*—processed and unprocessed minerals; consumer products, including textiles, footwear, and cigarettes; processed foods and beverages; cement.

Trade: *Exports*—$1.62 billion (1983 f.o.b.): copper 50%, petroleum, diamonds, coffee, cobalt, gold, wood. *Partners*—Belgium and Luxembourg 36% (1982), US, France, FRG. *Imports*—$1.38 billion (1982 c.i.f.): petroleum products, food, textiles, heavy equipment. *Partners*—Belgium and Luxembourg 29% (1980), France, FRG, US.

Official exchange rate (Aug. 1985): Floating, 52 zaires = US$1.

Economic aid received (commitments): *Total all countries* (1983)—$429 million. *US aid* (FY 1985)—$64 million, of which $8.4 million was military assistance.

Membership in International Organizations

UN and most of its specialized and related agencies, Organization of African Unity (OAU) (participation suspended as of mid-1985) and affiliated specialized agencies, Intergovernmental Council of Copper Exporting Countries (CIPEC), African Development Bank (AFDB), International Coffee Organization (ICO), International Tin Council (ITC), Great Lakes States Economic Community (CEPGL), INTELSAT, Non-Aligned Movement, Group of 77.

S/123

GEOGRAPHY

The Republic of Zaire (pronounced zy-EAR), formerly the Democratic Republic of the Congo, includes the greater part of the Zaire (formerly Congo) River basin, which covers an area of almost 1 million square kilometers. The country's only outlet to the Atlantic Ocean is a narrow strip of land on the north bank of the Zaire River.

The vast, low-lying central area is a basin-shaped plateau sloping toward the west and covered by tropical rain forest. This area is surrounded by mountainous terraces in the west, plateaus merging into savannas in the south and southwest, and dense grasslands extending beyond the Zaire River in the north. High mountains are found in the extreme eastern region.

Zaire lies on the Equator, with one-third of the country to the north and two-thirds to the south. The climate is hot and humid in the river basin and cool and dry in the southern highlands. South of the Equator, the rainy season lasts October–May; north of the Equator, April–November. Along the Equator, rainfall is fairly regular throughout the year. During the wet season, thunderstorms often are violent but seldom last more than a few hours. The average rainfall for the entire country is about 107 centimeters (42 in.).

PEOPLE

The population was estimated at 30.7 million in 1983. About 1,500 U.S. citizens reside in Zaire.

As many as 250 ethnic groups have been distinguished and named. The general term "tribe" is difficult to define, because ethnic groupings may be based on various and shifting constellations of shared language and culture, traditions of common ancestry, and more transient political factors. Although relations among the many groups have stabilized since national political order was established in the mid-1960s, clan, tribal, and regional identities are important in all aspects of national life. Precise statistics do not exist, but it is unlikely that any group exceeds 10% of the total. The largest group, the Kongo, may include as many as 2.5 million persons. Other socially and numerically important groups are the Luba, Lunda, Bashi, and Mongo. Some groups, including the aboriginal Pygmies, occupy isolated ecological niches and number only a few thousand.

The Belgians introduced French, spoken countrywide by the educated. About 700 local languages and dialects are also spoken; four serve as official languages.

- Lingala developed along the Congo River in the 1880s in response to the need for a common commercial language. The Belgians made it the official language of the colonial armed forces. It was given written form and is now used extensively along the Zaire River from Kinshasa to Kisangani and in the north and northwest. It serves as the common language of the Zairian National Army, and its use as a national lingua franca is growing.
- Swahili, introduced into the country by Arabs and especially the Zanzibari Swahilis during 19th century slaving operations, is spoken extensively in the eastern half of the country. In southern Shaba, a mutually intelligible variant called Kingwana is prevalent.
- Kikongo is used primarily between Kinshasa and the Atlantic Ocean as well as in parts of Congo and Angola. A modified form is used as a lingua franca in southern Bandundu. Most languages of western Zaire belong to the Kikongo language group.
- Tshiluba is spoken primarily by the tribal groups of south-central Zaire.

About 80% of the Zairian population is Christian, predominantly Roman Catholic. Most of the non-Christians adhere to either traditional religions or syncretic sects. Traditional religions embody such concepts as monotheism, animism, vitalism, spirit and ancestor worship, witchcraft, and sorcery and vary widely among ethnic groups; none is formalized. The syncretic sects—mixtures of Christianity and traditional beliefs and rituals—often use Christian sources. Their prophets promised to lead people to a new way of life and have developed the concept of a black Christ. The most popular of these sects, the Kimbanguist, was seen as a threat to the colonial regime and was banned by the Belgians. Kimbanguism, officially the "Church of Christ on Earth by the Prophet Simon Kimbangu," now has about 3 million members, primarily among the Kongo of Bas Zaire and Kinshasa. In 1969 it became the first independent African church to be admitted to the World Council of Churches.

Before independence, education was largely in the hands of religious groups. The primary school system was well developed at independence, but the secondary school system was limited, and higher education was almost nonexistent. The principal objective of this system was to train low-level administrators and clerks. In 1980, about 80% of the males and 55% of the females, ages 6–11, were enrolled in a mixture of state- and church-run primary schools. In the 12–17 age group, there are about twice as many male students as female students. An estimated 30,000 university students attend the national university and several technical and teacher-training institutes. The literacy rate among adult Zairians is 55%.

HISTORY

Zaire is believed to have been populated as early as 10,000 years ago. An influx of peoples occurred in the seventh and eighth centuries A.D., when Bantus from present-day Nigeria settled in Zaire, bringing with them knowledge of the manufacture and use of metals.

In 1482, the Portuguese navigator Diego Cao arrived at the mouth of the Congo River. Early seafarers did not penetrate far inland but stayed near the mouth of the river, where they found an organized society—the Bakongo Kingdom, which included parts of present-day Congo, Zaire, and Angola. The Portuguese named the area Congo (the name of Zaire until 1971) after this kingdom. The name Zaire comes from the Kikongo word *nzadi*, meaning "river," and dates from the era of Portuguese exploration.

The area remained practically unknown to most Europeans until Henry Morton Stanley, a British-born journalist for the *New York Herald*, journeyed from East Africa across the continent to the mouth of the Congo River in 1874–1877. Subsequently, Stanley explored the area on behalf of Belgian King Leopold II, who quickly realized its potential value. At the Berlin Conference of 1885, King Leopold's claim to the greater part of the Zaire River basin was recognized. The Congo Free State, as the country was called, remained his personal possession until he ceded it to the Belgian State in 1907, when it was renamed the Belgian Congo.

Although Kimbanguism, Kitawala, and other syncretic religious sects were early manifestations of opposition to colonial dominance, the push for independence did not gain significant momentum until the 1950s. In a 1958 speech at Brazzaville, Gen. Charles de Gaulle gave French African colonies a choice between complete and partial independence. After that, the Belgians could no longer suppress Congolese independence movements.

Following riots in Leopoldville in 1959, Belgian King Baudouin announced that the colony could look forward to independence "without undue delay." Roundtable conferences were convened at Brussels in January 1960, and Belgium granted independence on June 30, 1960.

Parliamentary elections were held in April 1960. The Congolese National Movement (MNC) obtained a majority of the seats, and Patrice Lumumba was named prime minister. After much maneuvering, the leader of the Alliance of the Bakongo (ABAKO) Party, Joseph Kasavubu, was named president.

Independence

Peaceful independence lasted only 1 week. On July 5, the army mutinied and political authority broke down. Belgian troops intervened on July 10 to protect Belgian nationals. On July 11, Moise Tshombe, Governor of Katanga (now Shaba), declared his province an independent country, and the central

Travel Notes

Climate and clothing: Clothing suitable for hot, humid weather is appropriate in Zaire. Sweaters are advisable in Bukavu and Lubumbashi, where evenings are cool. Rainwear is essential, but not overcoats.

Health: Malaria is prevalent and malarial suppressants should be taken. Tapwater is not potable. Check most recent health information; see *Health Hints for the Tropics*, published by the American Society of Tropical Medicine and Hygiene.

Telecommunications: International telegraph and telephone services are unreliable throughout the country. Kinshasa is 6 hours ahead of eastern standard time.

Transportation: Regular connections can be made to Brussels, Paris, Nice, Lisbon, Geneva, Zurich, Nairobi, Libreville, Abidjan, Johannesburg, Douala, and Dakar.

Local transportation facilities are crowded. Taxis are usually available in Kinshasa; rates vary, and the fare should be established before entering. Main streets within the cities are usually paved; intercity roads are generally difficult or impassable during the rainy season, except for the Kinshasa-Boma, Kinshasa-Kikwit, and Kolwezi-Lubumbashi paved roads. All automobiles driven in Zaire must be covered by liability insurance with SONAS, the national insurance company. Drivers licenses issued by the AAA in the US can be validated for use in Zaire.

Tourist attractions: Virunga National Park, in eastern Zaire, stretching from the north end of Lake Kivu to Lake Edward, is one of the best game preserves in Africa and is particularly noted for its lions, elephants, hippopotami, and birds. Kahuzi-Biega Park, in the bamboo forests just north of Bukavu, is one of the last refuges of the mountain gorilla. Among the sights of interest in the Kinshasa area are the Presidential Gardens and Zoo; the municipal zoo; the ethnic art museum of the National Academy of Fine Arts; the central market; and Lac de Ma Valee, an artificial lake just outside of Kinshasa. Also of interest is Lafoy Falls, one of the highest in Africa, located in the Shaba region. The largest hotel in Kinshasa is the Intercontinental which accepts only the American Express card. Less expensive are the Estoril and the Memling, which do not accept charge cards.

government requested UN assistance to maintain order and restore the country's territorial integrity. The United Nations sent a peacekeeping force, but when it refused to place this force under the central government's orders, Prime Minister Lumumba requested and received direct Soviet aid.

Lumumba's relations with the United Nations and President Kasavubu deteriorated rapidly. On September 5, 1960, Lumumba was dismissed by Kasavubu. Lumumba rejected this dismissal and in turn dismissed Kasavubu. Col. Joseph Mobutu (now Mobutu Sese Seko) took over the government, expelled Soviet and communist-bloc diplomats and technicians, and eventually imprisoned Lumumba. Lumumba attempted to escape, was apprehended, and died in Katanga under mysterious circumstances in February 1961. His former vice prime minister, Antoine Gizenga, proclaimed himself head of the "legitimate" government and set up a rival administration at Stanleyville (now Kisangani). That same month, Mobutu returned the reins of government to Kasavubu, and four groups—the central government under Kasavubu, Gizenga at Stanleyville, Tshombe at Katanga, and another separatist group in Kasai under Albert Kalonji, a Baluba chieftain—contended for power. The Kalonji and Gizenga groups were reintegrated into the central government by August 2, 1961, and Cyrille Adoula was appointed prime minister. Tshombe, however, continued to hold out in Katanga against central government and UN military forces. UN Secretary General U Thant devised a plan in 1962 to reintegrate Katanga, and Tshombe and the central government finally reached agreement in mid-January 1963. UN troops remained in the country until June 30, 1964.

Shortly after the end of the Katanga secession, rebellion against the central government broke out in the Province of Kwilu. This rebellion, which originated in traditional tribal rivalries, was turned into an antigovernment revolt by Pierre Mulele, an early associate of Lumumba, who had spent several months in the People's Republic of China.

Similar tribal discontent erupted into open rebellion in Kivu Province in April 1964. The rebels were led by followers of Lumumba who had gone to Brazzaville in November 1963 and had set up a Committee of National Liberation dedicated to overthrowing the central government. Through the exploitation of tribal hatreds and unhappiness over the fruits of independence, leftist rebel leaders extended the rebellion over much of the northern and eastern part of the country by June 1964.

In July, former Katangan leader Tshombe was named prime minister of the central government. Rebel fortunes soon waned as central government forces began to recapture rebel-held cities. On November 24, Belgian airborne troops, transported in U.S. Air Force planes, parachuted into Stanleyville and liberated it from the rebels. Central government forces gradually reclaimed control over more rebel-held areas until, by mid-1966, only a few isolated bands of rebel terrorists were still holding out in the bush. However, the rebellion had seriously damaged Zaire's administrative and economic infrastructure. Educated Zairian administrators were often considered as enemies and became targets for rebel action.

Return of Mobutu and Security

President Kasavubu dismissed Prime Minister Tshombe in October 1965 and asked Evariste Kimba to form a government. Brief political infighting and public quarreling followed, ending when Lt. Gen. Mobutu, commander in chief of the national army, seized control of the government on November 24, 1965, and canceled the elections. He declared himself president for 5 years and disclaimed any intention of establishing a military regime.

Challenged in July 1966 by a revolt of the former Katangan gendarmes in the national army, Mobutu defeated the rebels and further strengthened his government's control over the country. A similar challenge from the remaining white mercenaries and former gendarmes broke out in July 1967. After several difficult months, the mercenaries and their Katangan allies withdrew into Rwanda and Angola under presssure from the army.

From November 1967 until early 1977, Zaire enjoyed internal peace and political stability. Only a small mountainous area at the northern end of Lake Tanganyika remained a haven for bandits and former rebels.

The Shaba Invasions

The Katangan ex-gendarmes migrated to Angola in the late 1960s, where they fought first for the Portuguese against the liberation movements and then for the MPLA against the two other liberation movements. The MPLA eventually succeeded in forming the present Angolan Government.

On March 8, 1977, the Katangans, led by Gen. Mbumba, invaded Zaire's Shaba Province from Angola. Meeting little resistance from Zairian security forces, the invaders quickly captured several towns in the southwestern part of the province. They restricted their in-

vasion to the area where they had tribal ties, but the grassroots uprisings they expected in other parts of the country did not materialize. For several weeks the Katangans held the towns of Dilolo, Kpanga, Sandoa, Kisenge, Kasaji, and Mutshatsha.

The introduction in mid-April of a Moroccan expeditionary force, at the invitation of the Zairian Government, dramatically turned the tide in favor of President Mobutu. With Moroccan backing, the government forces launched a counteroffensive that quickly routed the Katangans. The war ended in several weeks.

A year later, on May 13, 1978, the Katangans mounted another invasion of Zaire with the important mining center of Kolwezi as their target. After 6 days of Katangan occupation, French legionnaires, acting in unison with the Zairian Army, retook Kolwezi. Later, Belgian paratroopers were dropped into the area, and evacuation of some 3,000 expatriates began. The U.S. Government supplied logistical support, but no troops, to assist in the operation. As many as 130 foreigners and thousands of Zairians were killed.

The attack on Kolwezi created serious economic difficulties for Zaire at a time when the country could little afford them. The Kolwezi mines, the most important in Zaire, were only slightly damaged, but the flight of foreign managerial and technical personnel slowed mineral production and seriously hindered expansion plans. By 1980, however, production had recovered to preinvasion levels.

Centralization and Personalization of Authority

A key political issue in Zaire following independence was whether the country was to have a federal system of government or a unitary system with a strong central government. From 1960 to 1966, a modified federal system gave a degree of political power to the provincial governments. In 1965, President Mobutu began to reduce provincial power. The 1967 constitution brought provincial administration under direct control of the central government.

Centralization was accompanied by personalization of authority. In November 1970, President Mobutu, who had ruled by decree since his assumption of power in 1965, was elected to a 7-year term of office. He is publicly referred to as the "Guide" and the "Founder-President." November 24, the anniversary of the "Second Republic," as it is now called, is Zaire's principal holiday.

As part of his effort to create a sense of national identity, Mobutu has called upon Zairians to reject foreign models and to draw upon their own heritage in shaping their nation's future. Colonial place names were replaced and, on October 27, 1971, the country's name was changed to the Republic of Zaire. A new flag and a new national anthem were also adopted. Individuals were required to replace their Christian or other foreign names with African ones, and references to ancestors were made a part of all public ceremonies.

On June 20, 1966, several cities with names of European origin were Zairianized. Among these are Kinshasa (Leopoldville), Kisangani (Stanleyville), Lubumbashi (Elisabethville), Mbandaka (Coquilhatville), and Kalemie (Albertville).

GOVERNMENT AND POLITICAL CONDITIONS

Zaire has a highly centralized one-party government. President Mobutu founded the Popular Movement of the Revolution (MPR) in 1967 as his government's political arm. The MPR has been designated successively the country's "first," "supreme," and then—by virtue of the August 1974 constitution—its "only" political institution. Consititutionally, the Executive Council (Council of Ministers), the legislature, and the judiciary have found their places alongside the Party Congress and the Political Bureau as organs of the MPR. In August 1980, the Political Bureau established the MPR Central Committee as the party's principal decisionmaking organ.

By virtue of the 1974 constitutional changes, the president of the MPR is automatically president of Zaire, and is elected for an initial 7-year term, with no limit to the number of subsequent terms. President Mobutu was reelected in 1984. The president is commander in chief of the armed forces and can declare war and conclude treaties without reference to any other body. He can also declare a state of emergency and take such measures "as circumstances warrant" for as long as he may deem necessary.

The MPR Party Congress (which meets every 5 years), the Central Committee, and the Executive and Legislative Councils are subsidiary to President Mobutu. He is empowered to legislate "with the consent of the Legislative Council" and accounts directly to the people by means of an annual policy statement and interim messages. He appoints and recalls state commissioners (members of the Executive Council), Central Committee members, and governors of Zaire's nine regions. Rural and urban council members are elected by the people, as are members of the Legislative Council.

The president gives direction to the MPR. The focal point of the party and the government is the 80-member Central Committee, which meets semiannually. The Central Committee is the conceptualizing and decisionmaking organ of the party, and its 14-member Political Bureau is the decision-implementing organ.

The Central Committee can remove the president for "deviation" from MPR party doctrine. If the president dies, resigns, becomes incapacitated, or is removed from office, the longest-serving member of the Political Bureau serves as interim president. Full-term presidents are chosen by the Central Committee, approved by the Party Congress, and then elected by popular vote.

The unicameral 310-member Legislative Council elaborates the laws of Zaire during two yearly sessions. Laws may be initiated by the president or any member of the Legislative Council. When the Legislative Council is not in session, the president can decree laws unilaterally. The legislature is elected for a 5-year term, most recently in 1982. Candidates seeking to stand for election to the Legislative Council are vetted by local and national party organs. The president of the Legislative Council is appointed from among the elected members by the president of the republic.

The executive departments of the government are administered by state commissioners, who are recommended by the prime minister and appointed by the president. State commissioners are subject to the policy guidance of the Political Bureau.

The predominant Roman Catholic Church and smaller Protestant and Kimbanguist organizations are the only remaining national institutions independent of the party-government structure. Freedom of religion was reaffirmed in the February 1978 revision of the constitution.

Politically, 1978–1985 has been relatively calm for Zaire, and security

has been better than at almost any time since independence. Internally, an improved army with French, Belgian, Chinese, and Israeli advisers has decreased chances of a third Shaba invasion. However, Moba, a town on Lake Tanganyika in Shaba, was attacked in November 1984 and again in June 1985 by small groups of armed dissidents, who reportedly entered from Tanzania. The Zairian Army retook Moba on both occasions with little opposition, inflicting heavy casualties on the attackers and demonstrating an ability to deploy limited numbers of troops over long distances. The Moba raids and several smaller attacks against Zairian Army units in eastern Zaire do not currently amount to a major threat, although these attacks point up the continuing difficulties of the government in maintaining security in the remote eastern regions.

President Mobutu issued general amnesties in 1978 and 1983 for political detainees and for those who had fled Zaire during previous wars and rebellions, and he continues to invite critics abroad to return and cooperate with his government. In June 1985, former Prime Minister Nguza Karl-I-Bond returned from several years of exile in Belgium. Similarly, the last of 13 ex-parliamentarians who had been imprisoned in 1982 and banned to their home villages in 1983 for efforts to organize a second political party were released in June 1985.

Principal Government Officials

President and Commissioner of State for Defense—**Mobutu** Sese Seko
First Commissioner of State (Prime Minister)—**Kengo** wa Dondo
Commissioner of State for Foreign Affairs—**Mokolo** wa Mpombo

Ambassador to the United States—**Kasongo** Mutuale
Ambassador to the United Nations—**Bagbeni** Adeito Nzengeya

Zaire maintains an embassy in the United States at 1800 New Hampshire Avenue NW., Washington, D.C. 20008 (tel. 202-234-7690).

ECONOMY

At independence, Zaire had one of the most highly developed and diversified economies in sub-Saharan Africa.

Agriculture has long been the base of Zaire's economy, although mining generates much greater revenues. About 70% of the population is rural, cultivating the land by traditional methods. These farmers, usually working small plots, produce staples for local consumption. Small farmers also produce cotton for the local textile industry, as well as coffee and cocoa. Sugar and most export crops—coffee, oil palm products, rubber, cocoa, tea, and quinquina—are produced by plantations.

Zaire's extractive industries have provided the main impetus for economic development. Rich mineral deposits in the southern Shaba region are an important source of copper—Zaire's principal export. This area is also the main source of the world's cobalt. Petroleum exports from Zaire's small offshore fields, which are exploited by an American-Japanese consortium (Gulf, Unocal, and Teikoku), have become the country's second largest source of foreign exchange. Industrial diamonds mined in the Kasais account for about 40% of the noncommunist world's total production. Tin, columbium-tantalum, and several rare metals are mined in other regions.

Zaire's potential for hydroelectric power production exceeds 100,000 megawatts (MW), about 13% of the world's total. The second stage of the Inga hydroelectric plant in the Bas Zaire region was completed in 1981, and the Inga complex now has a production capacity of more than 2,300 MW. A powerline to carry Inga electricity to the copperbelt in Shaba was inaugurated in 1983.

Compared to most sub-Saharan African countries, Zaire has a substantial manufacturing base. Industry is concentrated in Kinshasa and Lubumbashi. Lack of adequate transportation facilities, however, inhibits distribution of products to other parts of the country. Production is concentrated mostly in the consumer sector, particularly in processed food and clothing.

During the 1960–1967 period of serious security problems, Zaire suffered severe economic and financial dislocation, disrupted transportation facilities and trade services, a breakdown in civil administration, and a decline in export earnings.

In 1967, the government initiated a successful program of monetary and economic reform in cooperation with the International Monetary Fund (IMF). Within 2 years, this program, combined with the return of political tranquillity and increased world copper prices, succeeded in substantially increasing exports, stabilizing the currency, and raising foreign exchange reserves.

Beginning in late 1973, new stresses appeared in the economy. Large budget deficits, financed by borrowing from the central bank, weakened the currency. The cost of living rose rapidly while new foreign borrowing raised Zaire's public direct and guaranteed external debt from $763 million at the end of 1972 to $3 billion by 1974. Increased petroleum costs and closure of the Benguela Railroad through Angola—the shortest route for copper exports—further aggravated Zaire's plight. In 1975, Zaire fell behind in its repayment of foreign debts.

Private foreign investment also was hampered during this period. To stimulate foreign investment, Zaire had established a new investment code in 1969 that provided a tax holiday and other benefits to new investors. Direct foreign investment from 1970 through 1974 was between $50 and $100 million annually. In November 1973, President Mobutu announced measures to place all business in the hands of Zairians, and in 1974, a number of large firms were nationalized (Zairianized). Commerce was disrupted, particularly in rural areas, and many skilled foreigners left, posing a management problem. U.S. businesses covered by investment conventions were exempted from expropriation. In September 1976, President Mobutu issued a retrocession decree, which returned 60% of the shares of nationalized private firms to their original owners. However, many businesses by then were in poor financial and operating condition and were closed.

During the 1970s, Zaire, like other third-world countries which rely on revenue from commodity exports, was hit hard by the worldwide decline in prices for copper and its other main exports. Zaire had borrowed from Western governments and banks based on predictions of continued high prices for copper, and the unexpected revenue shortfall, along with poorly planned and grandiose projects, left Zaire in a very poor debt position. This period marked the beginning of an economic decline from which Zaire is only recently beginning to emerge. After several efforts to institute an IMF program in the late 1970s and early 1980s failed, President Mobutu moved again in late 1982 to put Zaire's economy in order and to cooperate with the IMF. A follow-on $162 million IMF program was approved in April 1985.

The stabilization measures have shown results. Inflation is down, and

foreign exchange is more readily available to importers. With the removal of price controls, agricultural production is up in many areas. Industrial production has increased in Kinshasa and shows promising signs of increasing in the provinces. Government corruption has declined in recent years, and is not the serious problem it was 10 years ago. Economic stabilization measures have arrested the decline in GNP, and, in fact, are projected by the IMF to lead to a modest per capita GNP increase, the first in a decade. However, a significant improvement in living standards is not likely in the short term.

Formidable obstacles to recovery remain. Priced in dollars, copper (which accounts for half of Zaire's exports) is selling in mid-1985 almost as low as at anytime since the depression when adjusted for inflation. The outlook for a major increase in copper prices is poor because of increased substitution of other products. Even after rescheduling, service on Zaire's $4.4 billion debt consumes about 60% of the budget (including payments to the IMF and the World Bank), leaving inadequate funds for salaries, education and health care, and almost no money for investment. The transportation system is badly in need of overhaul. In sum, although Zaire has made great strides in restructuring its economy and in putting greater emphasis on private enterprise and market forces rather than government regulation, the economic outlook remains uncertain.

FOREIGN RELATIONS

Since President Mobutu's assumption of power, Zaire has played a significant role in African and East-West politics. It has been a consistent voice of reason in the councils of the Organization of African Unity, the Non-Aligned Movement, and the United Nations and has strongly encouraged efforts to find peaceful solutions to international disputes, including support for the Camp David accords. Though not a front-line state, Zaire has supported Western and African efforts to find a peaceful solution in Namibia.

Roughly 300,000 refugees remain from the 700,000 who have fled to Zaire, creating one of the largest refugee populations in the world. Government authorities continue to cooperate with the Office of the UN High Commissioner for Refugees (UNHCR) in facilitating arrivals from troubled Uganda and Angola.

Internationally, Zaire pursues a policy of nonalignment between East and West, and plays an important moderating role in international and regional forums. Zaire condemned the Soviet invasion of Afghanistan, supported the UN General Assembly resolution calling for immediate Soviet withdrawal, and was the first African state to announce that it would not participate in the 1980 Olympic Games in Moscow. In May 1982, Zaire reestablished relations with Israel.

During the 1977 and 1978 Shaba invasions, Zaire received materiel and diplomatic support from several European and Arab nations. Moroccan, Ivorian, Togolese, and Senegalese troops formed an Inter-African Force, which kept the peace in Shaba for almost a year following the second Shaba war. Since then, Zaire's relations with its neighbors and particularly Angola, Zambia, and Congo have improved greatly. President Mobutu has worked hard and effectively to secure his frontiers through reconciliation and establishment of normal diplomatic relations. The 1979 mutual nonaggression pact signed by the presidents of Zaire, Angola, and Zambia, coupled with their efforts to increase trade and economic cooperation, is an important milestone for Zaire and the region.

President Mobutu sent Zairian troops to Chad in July 1983 to help President Habre counter a rebel invasion supported by Libya. They were withdrawn in the fall of 1984 in the wake of the Franco-Libyan accord under which foreign troops were to leave Chad, but which Libya did not respect. As a former colony, Zaire's relations with Belgium remain important to both countries. Belgium is Zaire's principal trading partner and source of technical assistance.

U.S.-ZAIRIAN RELATIONS

Relations between Zaire and the United States have been excellent since Zaire's independence. The two countries share an interest in promoting economic growth and peaceful political development in central Africa. Zaire has given steady support to U.S. policies and goals in Africa. The United States has sought to assist Zaire in its efforts to build a nation and achieve economic and social progress. Zaire's stability is important to a region that has become a major focus of U.S. and Western attention and efforts in the past few years. Furthermore, as one of the larger markets in Africa south of the Sahara, Zaire is commercially important to the United States. (The United States exported $82 million worth of products to Zaire in 1984.)

U.S. bilateral economic and military assistance (both loans and grants) to Zaire from independence through FY 1985 was $1.03 billion. In FY 1985, the United States Government loaned Zaire $20 million to purchase wheat and cotton under Title I of PL-480 (Food for Peace). In addition, the United States provided $8.4 million in military and $35.6 million in economic assistance, all grant.

Further Information

These titles are provided as a general indication of material published on this country. The Department of State does not endorse unofficial publications.

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For information on economic trends, commercial development, production, trade regulations, and tariff rates, contact the International Trade Administration, US Department of Commerce, Washington, D.C. 20230.

U.S. private investment totals about $200 million and is concentrated in petroleum and manufacturing. Repatriation of profits from business operations in Zaire was resumed in 1984 after not having been possible for a decade due to the country's chronic foreign exchange shortage. The investment code was revised in 1979, and was under revision again in 1985. In 1984, the U.S.-Zaire Bilateral Investment Treaty was signed providing protection to American investors.

Current U.S. AID [Agency for International Development] development programs are concentrated in the fields of agriculture, health, population, nutrition, and human resources development. About 240 Peace Corps volunteers in Zaire work principally in education, public health, agriculture, and fisheries. About $700 million in direct loans and guarantees have been made available by the Export-Import Bank in support of U.S. exports to Zaire, principally for the Inga-Shaba high-tension power transmission project.

Vice President George Bush made an official visit to Zaire in 1982. In August 1983, President Mobutu made an official visit to the United States, during which he met with President Reagan, Vice President Bush, Secretary of State George Shultz, and other ranking members of the Administration.

Principal U.S. Officials

Ambassador—Brandon H. Grove
Deputy Chief of Mission—Daniel Simpson
Director, AID Mission—Richard L. Podol
Public Affairs Officer (USIS)—Arthur S. Giuliano
Director, Peace Corps—Richard Wall
Defense Attache—Col. Paul Wenzel
Chief of Military Assistance Mission (ZAMISH)—Col. Russell Sanders
Principal Officer, Lubumbashi—Karl Danga

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